CLASSIFICATION

CONFIDENTIAL ON CHIEF CENTRAL INTELLIGENCE AGENC

50X1-HUM

INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

COUNTRY SUBJECT

Bulgaria

Economic - Cooperative statute

DATE OF INFORMATION

HOW

PUBLISHED

Daily newspaper

DATE DIST.

*1*950 Apr 1950

WHERE **PUBLISHED** 

Sofia

NO. OF PAGES 33

DATE

**PUBLISHED** 

23, 24 Dec 1949

SUPPLEMENT TO

LANGUAGE

Bulgarian

REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE

Izgrev.

# NET. STATUTE PROPOSED FOR FARM WORKERS' COOPERATIVES

The main features of the proposed statute for farm workers' cooperatives are as follows:

### Land

Farm workers' cooperatives are formed on lands transferred by their owners for common use, rented lands, or those provided by the state for permanent exploitation. Land transferred to the cooperative by the owner remains his property and may be sold by him to other cooperative members. When a member wishes to leave the cooperative or has been excluded by the general assembly, he may sell his land to the cooperative or recover it for his private use, but it will be allotted from the common area and will not be his particular plot. In inheritance procedures, when the heir is not a member of the cooperative, he will obtain the estate from the common area, but not until 3 years after its transfer to cooperative use. Members must transfer the entire area they and their household have heretofore cultivated, with the exception of 2 to 5 decares left for their personal use. Landless members will be admitted to use the common land or may rent plots for a price approved by the general assembly. A special commission formed of members and agricultural experts delegated by the okoliya people's soviet measures the land and indicates the size, soil quality, crops, and harvests. Subsequently, the lands are assembled into blocks and divided according to the established system of crop rotation. Every work brigade is assigned to cultivate certain plots for at least 3 years. Cooperatives engaged in livestock husbandry will be assigned to fodder cultivation.

# Production Tools

Every member will contribute his entire agricultural equipment (machines, ploughs, drills, reapers, harrows, carts, trucks, etc.), draft animals, livestock (except the animals left for his own use), seed for one sowing, fodder sufficient to feed the livestock until the following harvest, and buildings, (except those left for his own use), as well as enterprises such as mills, carders, etc. These provisions likewise apply to all members of the household whose land is incorporated in the cooperative.

		_CLASSIFICATION	CONFIDENTIAL	<b>₩</b>
STATE	NAVY	X NSRB	DISTRIBUTION	
ARMY	X AIR	X FBI		

_	<u>_</u> -	-	 -, 3.	4-		٠		
	'n	à		٤,	÷		ò	

ON TOENTIAL

50X1-HUM

Every household may retain for its own use: minor equipment indispensable for immediate needs, one dow or buffalo with its young or two goats with their kids, one or two pigs, three to five sheep and lambs, any number of fowl or rabbits, and up to 20 beehives. Livestock may be retained for private use upon payment of a tax established by the general assembly.

The entire movable and immovable stock contributed by a member is appraised by a special commission, elected by the general assembly, and a representative of the okoldya people's soviet; the appraisal is based on prevailing market prices and established in the presented registration fee. I and of 1,500 to 2,000 leve is deducted for the prescribed registration fee. I andless applicants or small holders will contribute a fee corresponding to 15 to 20 decares. Should the value of the property be less than the required fee, the difference will be paid in cash, and if it is greater the difference will be returned in payment extended over 4 to 7 years. When a member leaves the cooperative, his fee is returned, with a deduction for amortization.

Seed and fodder contributed by the members are collected into a permanent, indivisible fund, annually replenished from current harvest, and designed to supply all sowing and feeding needs between harvests, in accordance with the plan.

#### Operations 4 1

The cooperatives are preiged to strict obedience of all the laws, instructions and regulations issued by state authorities and the accurate fulfillment of government plans. They must strictly follow every phase of the sowing plan, plans for livestock husbandry, perennial planting (in orchards, vines, etc.), and other agricultural activities.

Members and supervisors are pledged to:

- l. Increase the yield of cooperative lands by all means at their disposal, conserve and maintain irrigation installations, preserve forests, and strictly follow all technical regulations is all by the proper authority
- Select the best grain for soving, expand high-grade sowing areas, apply new methods to increase the yield of grain, introduce intensive cultures (cotton, flax, hemp, fruit, vegetables, grapes, etc.), and provide maximum expansion of oleaginous cultures
- 3. Cultivate cooperative lands to the fullest advantage, fertilize waste lands, and introduce correct land regulations
- 4. Use equipment and seed to their fullest capacity and maintain them in strict order
- Promote livestock breeding and, wherever possible, horse breeding, introduce cross-breeding, and establish proper breeding and veterinary regulations
- 6. Expand fodder production by planting aifalfa, vetch and fodder grass, fertilize pastures and meadows, and assure all members an adequate share of pasture land and the proper fodder supply for their private stock
- 7. Organize cooperative construction of farm and community buildings and of small dams and artificial lakes, using primarily local manpower and materials

CONFIDENCE.

- 2 -

CONFIDENTIAL

CONFIDENTIAL

50X1-HUM

- 8. Promote auxiliary local trades which may contribute to the progress of the cooperatives and increase their profit
- 9. Raise the professional standards of members by organizing brigades of drivers, tractor operators, cattle and horse breeders, etc.; improve cultural standards by wide dissemination of newspapers, books, pamphlets, radio broadcasts, motion pictures, by improving education for women, by establishing clubs, libraries, reading rooms, bath-houses, etc., by the introduction of hygienic measures, and by the expansion of road and street construction, new bridges, warehouses, tree planting, etc.
- 10. Draw women into cooperative work, assign capable and experienced women to supervisory positions, and emancipate them from domestic work by establishing nurseries, bakeries, etc

#### Membership

Γ

Members are admitted by the general assembly of cooperative members upon the motion of the administrative counci.. Any 18-year-old farmer is eligible if he or his family is working on the land, whether it is his own property or not. Those farmers who, due to their work in state or political organizations and factories, or due to their enlistment in the army, militia, or labor service (as well as those who are engaged in industrial work, transportati , or construction), cannot participate directly in farm work, but are residing, or have families residing in the area of a farm workers cooperative, are likewise eligible for membership, upon approval of the general assembly.

Besides the head of the family, any members of either sex are eligible after reaching their 18th hirthday, if they can accomplish the minimum work quota prescribed by the general assembly.

Each member must contribute a registration fee of 1,000 to 2,000 leva, which is used to establish the cooperative full.

Kulaks or individuals deprived of their civil rights are not admitted.

Farmers who during the year preceding their admittance sold their horses, livestock, seed, folder, etc., may join the cooperative only if they pledge to pay the value of the articles sold within 2 years, from the returns of their income; seed and fodder must be paid in kind.

Exclusion of members must be voted by the general assembly with a two-thirds quorum; the minutes must indicate the number of members present and the number of those voting for the exclusion. If the excluded member lodges a complaint before the okoliya people's soviet, the matter will be definitely resolved by the soviet in the presence of the chairman of the cooperative and of the plaintiff. After exclusion, the former member will, at harvest time, receive from the common area the same share of land he contributed at his admission, as well as his shale of property. His account for labor and land rent and the registration fee are also settled after the harvest.

# Farm Income and Pistribution

The following amounts are deducted from the over-all cooperative production:

- l Dues to the state for the use of farm machinery and seed, and payments in kind to machine tractor stations, according to agreements
  - 2. Payments for sowing seed and fodder used during the year

# CONFIDENTIAL

- 3 -

CONFIDENTIAL

CONFIDENTIAL CONFIDENTIAL

50X1-HUM

3. Compensations for surplus production

Γ

The balance is distributed as follows in kind: 90 percent for land and labor, 7.5 percent for the reserve fund, 1.2 percent for the crop failure and disaster fund, and 1.3 percent for the social and cultural fund.

The following amounts are deducted from cash return collected during the year:

- 1. Taxes, insurance, bank loan payments, and fees to machine tractor stations  $% \left\{ 1,2,\ldots ,2,3,\ldots \right\}$
- Necessary current expenditures, such as the overhauling and repair of farm machinery, veterinary fees, pest extermination, etc.
  - Administrative expenditures

The balance is distributed as follows: 90 percent for land and labor, 7.5 percent for the reserve fund, 1.2 percent for the crop failure and disaster fund, and 1.3 percent for the social and cultural fund.

Subject to approval of the general assembly, the 90 percent in kind and cash for land and labor is distributed as follows:

- a. From 20 to 30 percent is paid to members in return for the land they contributed, according to the quantity and quality of the soil; 70 to during the year.
- b. Credit for 1.5 to 5 man-days per decare, according to the quality of the soil, is allotted additionally as compensation for land contributed by each member. This is added to the number of man-days mentioned in the previous paragraph, and the total sum forms the basis for the allotment of agricultural products, livestock, and money to every member of the cooperative.
  - c. Cash for land rent, payable per decare.

Members receive 30 to 40 percent of the net income derived from what they contributed to the cooperative (vines, orcnards, etc.). They are appraised according to their location, maturity, quality, etc., and such appraisals form the basis for determining returns. At the end of every year, a deduction is made for amortization and, after the final amortization, the member receives only the land rent, according to the general rules.

The net income from nonagricultural enterprises, such as brickyards and workshops, is distributed only according to labor.

Compensations in cash and kind are paid in separate accounts.

Members who have not contributed the minimum number of man-days obtain a 50-percent compensation for their land in kind and the balance in cash, at prevailing ceiling prices.

Annual budgets are established and approved by the general assembly. Expenditures may only be authorized within the framework of the budget, and funds may not be transferred from one budget section to another.

CONFIDERTIAL

- 4 -

CONFIDENTIAL

Sanitized Copy Approved for Release 2011/09/08: CIA-RDP80-00809A000600300179-0

C	7
CONFIDENTIAL	

Reserve funds are transferred to the Bulgarian Investment Bank and other funds to the Bulgarian National Bank

#### Organization, Wages, and Work Discipline

1

All cooperative work is done personally by the members, according to regulations approved by the general assembly. Hired personnel includes only agricultural experts, such as agriculturists, engineers, and technicians; otherwise hired help is admitted only for exceptional, urgent work, when the manpower provided by the members and their families proves insufficient. Manpower for construction work may be hired on a temporary basis.

All farm work is performed in brigades. Field and truck-garden brigades are established for a minimum period of one crop rotation and assigned to work on certain plots, with a fixed amount of property and implements for the entire period.

Livestock brigades are formed for at least 2 years and provided with a fixed share of livestock, buildings, etc.

Each brigade is composed of several groups, each of which works on a certain plot with a fixed share of implements, animals, etc.

The work of every member is assigned to him by the brigade leader, who must not be influenced by any personal considerations such as kinship or frierdship but must consider only work qualifications and experience. Brigade leaders are appointed by the general assembly and remain under the jurisdiction of the chairman of the administrative council. Work quotas are established according to the regulations of the Ministry of Agriculture and are approved by the general assembly. Brigade leaders survey and compute the daily quotas of every worker; at the end of the week, the quotas are added up and converted into man-days, registered in work books, and submitted to the accounting office. The administrative council sets up monthly records of man-days furnished by every worker, which are posted in conspicuous places.

Brigades or groups will be rewarded for good performance by extra compensations from their particular section. The extent of these compensations will be established by the general assembly according to government instruction.

During the year, advance cash payments may be extended, not exceeding 50 percent of the estimated yearly payment; advance payments in kind may comprise 10 to 15 percent of the grain threshed, according to the number of man-days.

The final payments for labor and land are made: (1) in kind, after the deduction of amounts to the state, to machine tractor stations, and for the reserve fund; (2) in cash, after approval of the annual report by the general assembly.

All members are pledged to the strictest observance of all cooperative rules and quotas, conscientious work discipline, and accurate maintenance of tools and machines. Violations are subject to the following penalties (unless they do not involve more serious prosecution); for unsatisfactory work, deduction of man-days, warning and reprimand from the general assembly, posting, a fine of up to 5 man-days, and temporary separation from work. The total number of man-days, imposed as fines during the year cannot exceed 15. If the above measures prove ineffective, the general assembly may move to exclude the delinquent member. Any misappropriation of cooperative or state property, or damaging of cooperative goods or machine tractor station equipment, is considered an act of treason and aid to the enemies of the nation, and the guilty will be transferred to the courts and prosecuted under the law of the republic.

CONFIDENTIAL

50X1-HUM



Sanitized Copy Approved for Release 2011/09/08 : CIA-RDP80-00809A00060	00300179	-0
--	----------	----

CONFIDERTIAL
--------------

CONFIDENTIAL.

50X1-HUM

#### Administration

Farm workers' cooperatives are under the administration of a general assembly and, between sessions, of an administrative council elected by the general assembly.

The general assembly is the highest authority and has the following powers:

- 1. To elect a chairman, the administrative council, and the control council
- 2. To admit and exclude members
- 3. To establish admission fees
- 4. To establish production and construction plans, budgets, work quotas, man-days, and compensations
- 5 To conclude contracts with machine tractor stations and other organizations
- 6 To approve the annual reports of the administrative and control councils and the reports of the most important agricultural campaigns
  - 7. To establish rents within the framework of the statute
  - 8. To approve the distribution of returns in cash and kind
  - 9. To approve regulations of internal organization
  - 10. To establish the man-day compensations for its permanent members.

Decisions of the administrative council are void without the approval of the general assembly. All the above measures can be e tablished only in the presence of one half of the members, and amendments of rent rates and the election of a chairman only in the presence of two thirds of the members. Voting is public.

The general assembly appoints a chairman who is in control of daily work operations and who surveys the correct fulfillment of all regulations issued by the administrative council. He is assisted by a deputy elected from among the members.

The cooperatives have their own accounting system. The accountant, who is either a member or an employee, keeps the accounts according to established forms and is supervised by the administrative council and the chairman. He is not authorized to handle the cooperative funds, or to extend advance payments or payments in kind; such rights belong exclusively to the administrative council and the chairman. Account regulations are established by the Ministry of Agriculture. Expense accounts must be signed by the chairman and the accountant.

The control council consists of three members. It checks the entire productive and financial activity of the cooperative and surveys the fulfillment of plans and quotas, the use of funds and stocks, etc. It makes regular quarterly checks of mutual accounts between the cooperative administration and its members, concerning payments, man-days, etc.; if necessary, checks may be made at any time. It submits yearly reports to the administrative council and the general assembly and is responsible to the council.

After approval by the general assembly, the present statute will be registered at the okoliya people's soviet, and then the farm workers' cooperatives will be legally established.

- E N D -

CONFIDENTIAL

